

Retail Sales Taxes and Rates

General

Revised
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Pour obtenir cette publication en français, veuillez communiquer avec votre bureau régional de la Taxe de vente au détail.

This guide explains how the four Ontario retail sales tax rates are calculated and describes the new "tire tax" and "gas-guzzler tax".

TAX RATES

The four tax rates apply as follows:

- 5%
 - transient accommodation: examples include accommodation in hotels, motels, hostels, tourist homes, camps, clubs, etc., for a period less than one month
 - American plan or other arrangements where meals and accommodation for a period of less than one month are provided for one price. The 5% rate applies to the total charge.
- 8%
 - all taxable goods other than liquor, beer or wine. Tax at 8% applies to the total charge for new vehicles or new tires, including the new tire tax and gas-guzzler tax where applicable.
 - prepared food products such as sandwiches and meals for a total charge that exceeds \$4.00
 - telecommunication services: examples are telephone services, telegraph services, cable TV, pay TV
 - labour to install, assemble, dismantle, adjust, repair or maintain goods that are taxable
- 10%
 - alcoholic beverages sold through licensed establishments
 - price of admission over \$4.00 per person to a place of amusement such as movie theatre, concert hall or amusement park
- 12%
 - liquor, beer or wine sold through retail stores (included in purchase price).

TAX CALCULATIONS — ROUNDING

Tax must be calculated to the nearest cent. Where the calculation results in a figure that is half of a cent or more, the tax must be **rounded up** to the next cent. Where the calculation results in a figure that is less than half of a cent, the tax must be **rounded down** to the next cent.

Examples:

| | |
|---------------------------|---------|
| 1. Taxable amount | \$10.45 |
| Tax at 8% | .8360 |
| Rounded up to next cent | .84 |
| 2. Taxable amount | 17.15 |
| Tax at 8% | 1.3720 |
| Rounded down to next cent | 1.37 |

For your convenience, an 8% retail sales tax schedule appears in this guide. If you would like 8% tax schedule cards to keep at your cash register, contact your local Retail Sales Tax Office. These cards are convenient for use by cashiers and sales clerks.

NEW TIRE TAX

Effective June 1, 1989, purchasers of new pneumatic tires are required to pay a tax of \$5 per tire. The tax applies to each new pneumatic tire included in the purchase of a vehicle and to new replacement tires. The new tax forms part of the fair value of the tires (or the new items on which they are installed) on which retail sales tax is calculated at 8%.

Tires for wheelbarrows, riding lawn-mowers, snowblowers, bicycles, tricycles and toys are exempt from the tire tax; however, the 8% retail sales tax continues to apply to these items.

Tires for items such as production machinery, farm equipment, fire fighting vehicles, commercial aircraft and wheel-chairs that are exempt from the 8% retail sales tax are also exempt from the new tire tax.

GAS-GUZZLER TAX

Effective July 1, 1989, new passenger cars that consume 9.5 litres (or more) of gasoline or diesel fuel per 100 kilometres of highway driving will be subject to a gas-guzzler tax payable on purchase. The tax will be included in the fair value of the cars on which retail sales tax is calculated at 8%.

The gas-guzzler tax will be graduated into four levels as follows:

| Highway Fuel Consumption Ratings (Litres per 100 Kilometres) | Tax |
|---|---------|
| 9.5 to 12.0 | \$600 |
| 12.1 to 15.0 | \$1,200 |
| 15.1 to 18.0 | \$2,200 |
| over 18.0 | \$3,500 |

Highway fuel consumption ratings provided by Transport Canada will be considered accurate.

If fuel consumption ratings are not available when a car is purchased, the maximum gas-guzzler tax of \$3,500 will apply.

The information in this publication is only a guideline. For more specific information, please consult the Retail Sales Tax Act or contact your local Retail Sales Tax Office listed in the blue pages of your telephone directory.

Retail Sales Tax Schedule at 8%

| Amount \$ | Tax \$ | Amount \$ | Tax \$ | Amount \$ | Tax \$ | Amount \$ | Tax \$ | Amount \$ | Tax \$ |
|---------------|-----------|----------------|-----------|----------------|-----------|----------------|-----------|---|-----------|
| .21 to .31 | .02 | 10.82 to 10.93 | .87 | 21.44 to 21.56 | 1.72 | 32.07 to 32.18 | 2.57 | 42.69 to 42.81 | 3.42 |
| .32 — .43 | .03 | 10.94 — 11.06 | .88 | 21.57 — 21.68 | 1.73 | 32.19 — 32.31 | 2.58 | 42.82 — 42.93 | 3.43 |
| .44 — .56 | .04 | 11.07 — 11.18 | .89 | 21.69 — 21.81 | 1.74 | 32.32 — 32.43 | 2.59 | 42.94 — 43.06 | 3.44 |
| .57 — .68 | .05 | 11.19 — 11.31 | .90 | 21.82 — 21.93 | 1.75 | 32.44 — 32.56 | 2.60 | 43.07 — 43.18 | 3.45 |
| .69 — .81 | .06 | 11.32 — 11.43 | .91 | 21.94 — 22.06 | 1.76 | 32.57 — 32.68 | 2.61 | 43.19 — 43.31 | 3.46 |
| .82 — .93 | .07 | 11.44 — 11.56 | .92 | 22.07 — 22.18 | 1.77 | 32.69 — 32.81 | 2.62 | 43.32 — 43.43 | 3.47 |
| .94 — 1.06 | .08 | 11.57 — 11.68 | .93 | 22.19 — 22.31 | 1.78 | 32.82 — 32.93 | 2.63 | 43.44 — 43.56 | 3.48 |
| 1.07 — 1.18 | .09 | 11.69 — 11.81 | .94 | 22.32 — 22.43 | 1.79 | 32.94 — 33.06 | 2.64 | 43.57 — 43.68 | 3.49 |
| 1.19 — 1.31 | .10 | 11.82 — 11.93 | .95 | 22.44 — 22.56 | 1.80 | 33.07 — 33.18 | 2.65 | 43.69 — 43.81 | 3.50 |
| 1.32 — 1.43 | .11 | 11.94 — 12.06 | .96 | 22.57 — 22.68 | 1.81 | 33.19 — 33.31 | 2.66 | 43.82 — 43.93 | 3.51 |
| 1.44 — 1.56 | .12 | 12.07 — 12.18 | .97 | 22.69 — 22.81 | 1.82 | 33.32 — 33.43 | 2.67 | 43.94 — 44.06 | 3.52 |
| 1.57 — 1.68 | .13 | 12.19 — 12.31 | .98 | 22.82 — 22.93 | 1.83 | 33.44 — 33.56 | 2.68 | 44.07 — 44.18 | 3.53 |
| 1.69 — 1.81 | .14 | 12.32 — 12.43 | .99 | 22.94 — 23.06 | 1.84 | 33.57 — 33.68 | 2.69 | 44.19 — 44.31 | 3.54 |
| 1.82 — 1.93 | .15 | 12.44 — 12.56 | 1.00 | 23.07 — 23.18 | 1.85 | 33.69 — 33.81 | 2.70 | 44.32 — 44.43 | 3.55 |
| 1.94 — 2.06 | .16 | 12.57 — 12.68 | 1.01 | 23.19 — 23.31 | 1.86 | 33.82 — 33.93 | 2.71 | 44.44 — 44.56 | 3.56 |
| 2.07 — 2.18 | .17 | 12.69 — 12.81 | 1.02 | 23.32 — 23.43 | 1.87 | 33.94 — 34.06 | 2.72 | 44.57 — 44.68 | 3.57 |
| 2.19 — 2.31 | .18 | 12.82 — 12.93 | 1.03 | 23.44 — 23.56 | 1.88 | 34.07 — 34.18 | 2.73 | 44.69 — 44.81 | 3.58 |
| 2.32 — 2.43 | .19 | 12.94 — 13.06 | 1.04 | 23.57 — 23.68 | 1.89 | 34.19 — 34.31 | 2.74 | 44.82 — 44.93 | 3.59 |
| 2.44 — 2.56 | .20 | 13.07 — 13.18 | 1.05 | 23.69 — 23.81 | 1.90 | 34.32 — 34.43 | 2.75 | 44.94 — 45.06 | 3.60 |
| 2.57 — 2.68 | .21 | 13.19 — 13.31 | 1.06 | 23.82 — 23.93 | 1.91 | 34.44 — 34.56 | 2.76 | 45.07 — 45.18 | 3.61 |
| 2.69 — 2.81 | .22 | 13.32 — 13.43 | 1.07 | 23.94 — 24.06 | 1.92 | 34.57 — 34.68 | 2.77 | 45.19 — 45.31 | 3.62 |
| 2.82 — 2.93 | .23 | 13.44 — 13.56 | 1.08 | 24.07 — 24.18 | 1.93 | 34.69 — 34.81 | 2.78 | 45.32 — 45.43 | 3.63 |
| 2.94 — 3.06 | .24 | 13.57 — 13.68 | 1.09 | 24.19 — 24.31 | 1.94 | 34.82 — 34.93 | 2.79 | 45.44 — 45.56 | 3.64 |
| 3.07 — 3.18 | .25 | 13.69 — 13.81 | 1.10 | 24.32 — 24.43 | 1.95 | 34.94 — 35.06 | 2.80 | 45.57 — 45.68 | 3.65 |
| 3.19 — 3.31 | .26 | 13.82 — 13.93 | 1.11 | 24.44 — 24.56 | 1.96 | 35.07 — 35.18 | 2.81 | 45.69 — 45.81 | 3.66 |
| 3.32 — 3.43 | .27 | 13.94 — 14.06 | 1.12 | 24.57 — 24.68 | 1.97 | 35.19 — 35.31 | 2.82 | 45.82 — 45.93 | 3.67 |
| 3.44 — 3.56 | .28 | 14.07 — 14.18 | 1.13 | 24.69 — 24.81 | 1.98 | 35.32 — 35.43 | 2.83 | 45.94 — 46.06 | 3.68 |
| 3.57 — 3.68 | .29 | 14.19 — 14.31 | 1.14 | 24.82 — 24.93 | 1.99 | 35.44 — 35.56 | 2.84 | 46.07 — 46.18 | 3.69 |
| 3.69 — 3.81 | .30 | 14.32 — 14.43 | 1.15 | 24.94 — 25.06 | 2.00 | 35.57 — 35.68 | 2.85 | 46.19 — 46.31 | 3.70 |
| 3.82 — 3.93 | .31 | 14.44 — 14.56 | 1.16 | 25.07 — 25.18 | 2.01 | 35.69 — 35.81 | 2.86 | 46.32 — 46.43 | 3.71 |
| 3.94 — 4.06 | .32 | 14.57 — 14.68 | 1.17 | 25.19 — 25.31 | 2.02 | 35.82 — 35.93 | 2.87 | 46.44 — 46.56 | 3.72 |
| 4.07 — 4.18 | .33 | 14.69 — 14.81 | 1.18 | 25.32 — 25.43 | 2.03 | 35.94 — 36.06 | 2.88 | 46.57 — 46.68 | 3.73 |
| 4.19 — 4.31 | .34 | 14.82 — 14.93 | 1.19 | 25.44 — 25.56 | 2.04 | 36.07 — 36.18 | 2.89 | 46.69 — 46.81 | 3.74 |
| 4.32 — 4.43 | .35 | 14.94 — 15.06 | 1.20 | 25.57 — 25.68 | 2.05 | 36.19 — 36.31 | 2.90 | 46.82 — 46.93 | 3.75 |
| 4.44 — 4.56 | .36 | 15.07 — 15.18 | 1.21 | 25.69 — 25.81 | 2.06 | 36.32 — 36.43 | 2.91 | 46.94 — 47.06 | 3.76 |
| 4.57 — 4.68 | .37 | 15.19 — 15.31 | 1.22 | 25.82 — 25.93 | 2.07 | 36.44 — 36.56 | 2.92 | 47.07 — 47.18 | 3.77 |
| 4.69 — 4.81 | .38 | 15.32 — 15.43 | 1.23 | 25.94 — 26.06 | 2.08 | 36.57 — 36.68 | 2.93 | 47.19 — 47.31 | 3.78 |
| 4.82 — 4.93 | .39 | 15.44 — 15.56 | 1.24 | 26.07 — 26.18 | 2.09 | 36.69 — 36.81 | 2.94 | 47.32 — 47.43 | 3.79 |
| 4.94 — 5.06 | .40 | 15.57 — 15.68 | 1.25 | 26.19 — 26.31 | 2.10 | 36.82 — 36.93 | 2.95 | 47.44 — 47.56 | 3.80 |
| 5.07 — 5.18 | .41 | 15.69 — 15.81 | 1.26 | 26.32 — 26.43 | 2.11 | 36.94 — 37.06 | 2.96 | 47.57 — 47.68 | 3.81 |
| 5.19 — 5.31 | .42 | 15.82 — 15.93 | 1.27 | 26.44 — 26.56 | 2.12 | 37.07 — 37.18 | 2.97 | 47.69 — 47.81 | 3.82 |
| 5.32 — 5.43 | .43 | 15.94 — 16.06 | 1.28 | 26.57 — 26.68 | 2.13 | 37.19 — 37.31 | 2.98 | 47.82 — 47.93 | 3.83 |
| 5.44 — 5.56 | .44 | 16.07 — 16.18 | 1.29 | 26.69 — 26.81 | 2.14 | 37.32 — 37.43 | 2.99 | 47.94 — 48.06 | 3.84 |
| 5.57 — 5.68 | .45 | 16.19 — 16.31 | 1.30 | 26.82 — 26.93 | 2.15 | 37.44 — 37.56 | 3.00 | 48.07 — 48.18 | 3.85 |
| 5.69 — 5.81 | .46 | 16.32 — 16.43 | 1.31 | 26.94 — 27.06 | 2.16 | 37.57 — 37.68 | 3.01 | 48.19 — 48.31 | 3.86 |
| 5.82 — 5.93 | .47 | 16.44 — 16.56 | 1.32 | 27.07 — 27.18 | 2.17 | 37.69 — 37.81 | 3.02 | 48.32 — 48.43 | 3.87 |
| 5.94 — 6.06 | .48 | 16.57 — 16.68 | 1.33 | 27.19 — 27.31 | 2.18 | 37.82 — 37.93 | 3.03 | 48.44 — 48.56 | 3.88 |
| 6.07 — 6.18 | .49 | 16.69 — 16.81 | 1.34 | 27.32 — 27.43 | 2.19 | 37.94 — 38.06 | 3.04 | 48.57 — 48.68 | 3.89 |
| 6.19 — 6.31 | .50 | 16.82 — 16.93 | 1.35 | 27.44 — 27.56 | 2.20 | 38.07 — 38.18 | 3.05 | 48.69 — 48.81 | 3.90 |
| 6.32 — 6.43 | .51 | 16.94 — 17.06 | 1.36 | 27.57 — 27.68 | 2.21 | 38.19 — 38.31 | 3.06 | 48.82 — 48.93 | 3.91 |
| 6.44 — 6.56 | .52 | 17.07 — 17.18 | 1.37 | 27.69 — 27.81 | 2.22 | 38.32 — 38.43 | 3.07 | 48.94 — 49.06 | 3.92 |
| 6.57 — 6.68 | .53 | 17.19 — 17.31 | 1.38 | 27.82 — 27.93 | 2.23 | 38.44 — 38.56 | 3.08 | 49.07 — 49.18 | 3.93 |
| 6.69 — 6.81 | .54 | 17.32 — 17.43 | 1.39 | 27.94 — 28.06 | 2.24 | 38.57 — 38.68 | 3.09 | 49.19 — 49.31 | 3.94 |
| 6.82 — 6.93 | .55 | 17.44 — 17.56 | 1.40 | 28.07 — 28.18 | 2.25 | 38.69 — 38.81 | 3.10 | 49.32 — 49.43 | 3.95 |
| 6.94 — 7.06 | .56 | 17.57 — 17.68 | 1.41 | 28.19 — 28.31 | 2.26 | 38.82 — 38.93 | 3.11 | 49.44 — 49.56 | 3.96 |
| 7.07 — 7.18 | .57 | 17.69 — 17.81 | 1.42 | 28.32 — 28.43 | 2.27 | 38.94 — 39.06 | 3.12 | 49.57 — 49.68 | 3.97 |
| 7.19 — 7.31 | .58 | 17.82 — 17.93 | 1.43 | 28.44 — 28.56 | 2.28 | 39.07 — 39.18 | 3.13 | 49.69 — 49.81 | 3.98 |
| 7.32 — 7.43 | .59 | 17.94 — 18.06 | 1.44 | 28.57 — 28.68 | 2.29 | 39.19 — 39.31 | 3.14 | 49.82 — 49.93 | 3.99 |
| 7.44 — 7.56 | .60 | 18.07 — 18.18 | 1.45 | 28.69 — 28.81 | 2.30 | 39.32 — 39.43 | 3.15 | 49.94 — 50.06 | 4.00 |
| 7.57 — 7.68 | .61 | 18.19 — 18.31 | 1.46 | 28.82 — 28.93 | 2.31 | 39.44 — 39.56 | 3.16 | | |
| 7.69 — 7.81 | .62 | 18.32 — 18.43 | 1.47 | 28.94 — 29.06 | 2.32 | 39.57 — 39.68 | 3.17 | 100.00 — | 8.00 |
| 7.82 — 7.93 | .63 | 18.44 — 18.56 | 1.48 | 29.07 — 29.18 | 2.33 | 39.69 — 39.81 | 3.18 | 200.00 — | 16.00 |
| 7.94 — 8.06 | .64 | 18.57 — 18.68 | 1.49 | 29.19 — 29.31 | 2.34 | 39.82 — 39.93 | 3.19 | 300.00 — | 24.00 |
| 8.07 — 8.18 | .65 | 18.69 — 18.81 | 1.50 | 29.32 — 29.43 | 2.35 | 39.94 — 40.06 | 3.20 | 400.00 — | 32.00 |
| 8.19 — 8.31 | .66 | 18.82 — 18.93 | 1.51 | 29.44 — 29.56 | 2.36 | 40.07 — 40.18 | 3.21 | 500.00 — | 40.00 |
| 8.32 — 8.43 | .67 | 18.94 — 19.06 | 1.52 | 29.57 — 29.68 | 2.37 | 40.19 — 40.31 | 3.22 | Use these computations in calculating larger amounts For Example: Sale \$159.57 Tax on \$100.00 = \$ 8.00 50.00 = 4.00 9.57 = .77 <u>\$12.77</u> | |
| 8.44 — 8.56 | .68 | 19.07 — 19.18 | 1.53 | 29.69 — 29.81 | 2.38 | 40.32 — 40.43 | 3.23 | | |
| 8.57 — 8.68 | .69 | 19.19 — 19.31 | 1.54 | 29.82 — 29.93 | 2.39 | 40.44 — 40.56 | 3.24 | | |
| 8.69 — 8.81 | .70 | 19.32 — 19.43 | 1.55 | 29.94 — 30.06 | 2.40 | 40.57 — 40.68 | 3.25 | | |
| 8.82 — 8.93 | .71 | 19.44 — 19.56 | 1.56 | 30.07 — 30.18 | 2.41 | 40.69 — 40.81 | 3.26 | | |
| 8.94 — 9.06 | .72 | 19.57 — 19.68 | 1.57 | 30.19 — 30.31 | 2.42 | 40.82 — 40.93 | 3.27 | | |
| 9.07 — 9.18 | .73 | 19.69 — 19.81 | 1.58 | 30.32 — 30.43 | 2.43 | 40.94 — 41.06 | 3.28 | | |
| 9.19 — 9.31 | .74 | 19.82 — 19.93 | 1.59 | 30.44 — 30.56 | 2.44 | 41.07 — 41.18 | 3.29 | | |
| 9.32 — 9.43 | .75 | 19.94 — 20.06 | 1.60 | 30.57 — 30.68 | 2.45 | 41.19 — 41.31 | 3.30 | | |
| 9.44 — 9.56 | .76 | 20.07 — 20.18 | 1.61 | 30.69 — 30.81 | 2.46 | 41.32 — 41.43 | 3.31 | | |
| 9.57 — 9.68 | .77 | 20.19 — 20.31 | 1.62 | 30.82 — 30.93 | 2.47 | 41.44 — 41.56 | 3.32 | | |
| 9.69 — 9.81 | .78 | 20.32 — 20.43 | 1.63 | 30.94 — 31.06 | 2.48 | 41.57 — 41.68 | 3.33 | | |
| 9.82 — 9.93 | .79 | 20.44 — 20.56 | 1.64 | 31.07 — 31.18 | 2.49 | 41.69 — 41.81 | 3.34 | | |
| 9.94 — 10.06 | .80 | 20.57 — 20.68 | 1.65 | 31.19 — 31.31 | 2.50 | 41.82 — 41.93 | 3.35 | | |
| 10.07 — 10.18 | .81 | 20.69 — 20.81 | 1.66 | 31.32 — 31.43 | 2.51 | 41.94 — 42.06 | 3.36 | | |
| 10.19 — 10.31 | .82 | 20.82 — 20.93 | 1.67 | 31.44 — 31.56 | 2.52 | 42.07 — 42.18 | 3.37 | | |
| 10.32 — 10.43 | .83 | 20.94 — 21.06 | 1.68 | 31.57 — 31.68 | 2.53 | 42.19 — 42.31 | 3.38 | | |
| 10.44 — 10.56 | .84 | 21.07 — 21.18 | 1.69 | 31.69 — 31.81 | 2.54 | 42.32 — 42.43 | 3.39 | | |
| 10.57 — 10.68 | .85 | 21.19 — 21.31 | 1.70 | 31.82 — 31.93 | 2.55 | 42.44 — 42.56 | 3.40 | | |
| 10.69 — 10.81 | .86 | 21.32 — 21.43 | 1.71 | 31.94 — 32.06 | 2.56 | 42.57 — 42.68 | 3.41 | | |

